

**MINUTES  
REGULAR MEETING  
UTILITY SERVICE BOARD  
JANUARY 16, 2012**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, January 16, 2012.

The meeting was called to order by Chairman Wayne Schuetter.

**UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:**

Wayne Schuetter – Chairman  
Rick Stradtner – Vice Chairman  
Mike Harder – Secretary  
Doug Schulte – Water Commissioner  
Alex Emmons – Wastewater Commissioner  
Greg A. Krodel – Gas Commissioner  
Ken Sendelweck – Electric Commissioner

**ALSO PRESENT:**

Jerry Schitter – Electric Distribution Manager  
Windell Toby – Electric Generation Manager  
Michael A. Oeding – Gas & Water Manager  
Ed Hollinden – Wastewater Manager  
Bud Hauersperger – General Manager  
Bill Shaneyfelt – City Attorney

**PLEDGE OF ALLEGIANCE** (DVD-00:44)

Chairman Wayne Schuetter led the Pledge of Allegiance.

**APPROVAL OF OUTSIDE COUNSEL** (DVD-01:08)

Mayor Seitz introduced Bill Shaneyfelt and partner Sharon Bohnenkemper as outside counsel for the City of Jasper. They are working under a three month contract at this time and will be paid \$120 per hour with a not to exceed amount. The contract has not been written yet.

Rick Stradtner made a motion to approve the legal services of Shaneyfelt and Bohnenkemper for a three month period at \$120 per hour. Greg Krodel seconded the motion. Motion approved, 7-0.

**APPROVAL OF APPOINTMENTS BY MAYOR FOR DEPARTMENT HEADS** (DVD-05:02)

Mayor Seitz presented the appointments for department heads for approval. The appointments include, Gerald “Bud” Hauersperger for General Manager of Utilities, Windell Toby for Electric Generation Manager, Jerry Schitter for Electric Distribution Manager, Mike Oeding for Water and Gas Manager, and Ed Hollinden for Wastewater Manager.

Ken Sendelweck made a motion to approve the Mayor’s appointments as presented. Doug Schulte seconded the motion. Motion approved, 7-0.

#### **APPOINT COUNCIL MEMBERS TO COMMITTEES** (DVD-06:18)

Chairman Wayne Schuetter presented the Mayor’s Council member appointments for the various Sub-Committees. He read them as follows:

Electric Committee:	Earl Schmitt
Wastewater Committee:	Greg Schnarr
Gas Committee:	Ray Howard
Water Committee:	Kevin Manley

Mike Harder made a motion to approve the appointment of Council members to Committees as presented. Rick Stradtner seconded the motion. Motion approved, 7-0.

#### **REORGANIZATION OF THE UTILITY SERVICE BOARD FOR 2012** (DVD-07:01)

Chairman Wayne Schuetter stated it is time for election of officers and he opened nominations for Chairman, Vice Chairman, and Secretary.

Alex Emmons made a motion to keep Wayne Schuetter for Chairman, Rick Stradtner for Vice Chairman, and Mike Harder as Secretary. Doug Schulte seconded the motion. There were no other nominations.

Greg Krodel made a motion to close nominations. Ken Sendelweck seconded the motion.

Chairman Wayne Schuetter then called for the vote on the nominations. The nominations were approved 7-0.

#### **APPOINT COMMISSIONEERS FOR 2012** (DVD-08:02)

Chairman Wayne Schuetter stated it was time to appoint Commissioners to the Committees. Alex Emmons suggested keeping the same Commissioners as last year.

Alex Emmons made a motion to keep himself as Wastewater Commissioner, Doug Schulte as Water Commissioner, Greg Krodel as Gas Commissioner, and Ken Sendelweck as Electric Commissioner. Rick Stradtner seconded the motion. Motion approved, 7-0.

#### **APPOINT COMMITTEE ASSIGNMENTS FOR 2012** (DVD-08:32)

Chairman Wayne Schuetter stated it is time to make Committee assignments for 2012. Schuetter asked that someone make a motion for changes or no changes.

Ken Sendelweck made a motion to continue Committee assignments as in 2011. Doug Schulte seconded the motion. Motion approved, 7-0.

(Rick Stradtner left the room at 7:09PM)

Wayne Schuetter read the Committee assignments as follows:

Electric Committee: Ken Sendelweck – Electric Commissioner  
Alex Emmons – Wastewater Commissioner

Water Committee: Doug Schulte – Water Commissioner  
Greg Krodel – Gas Commissioner

Wastewater Committee: Alex Emmons – Wastewater Commissioner  
Ken Sendelweck – Electric Commissioner

Gas Committee: Greg Krodel – Gas Commissioner  
Doug Schulte – Water Commissioner

Chairman Schuetter said he also sits on all of the Sub-Committees.

**APPROVAL OF FINANCE COMMITTEE** (DVD- 09:45)

Bill Shaneyfelt asked Wayne Schuetter to formally approve the Finance Committee. Chairman Wayne Schuetter read them as follows:

Finance Committee: Mike Harder – Secretary  
Wayne Schuetter – Chairman  
Bud Hauersperger – General Manager  
(Rotating member of USB)

Ken Sendelweck made a motion to approve the Finance Committee. Alex Emmons seconded the motion. Motion approved, 6-0.

**QUOTE OPENING: MINI-EXCAVATOR – ELECTRIC DISTRIBUTION** (DVD-10:38)

Bud Hauersperger opened the quotes and read them aloud as follows:

1. Wright Stemle	\$28,715.36
Jasper, IN	<u>- 15,000.00</u> trade-in
	\$13,715.36

The quote included a signed non-collusion affidavit.

2. Vermeer Midwest	\$44,724.00
Newburgh, IN	<u>- 7,800.00</u> trade-in
	\$36,924.00

The quote included a signed non-collusion affidavit.

3. Hopf Equipment	\$35,067.00
Huntingburg, IN	<u>- 12,000.00</u> trade-in
	\$23,067.00

The quote included a signed non-collusion affidavit.

Alex Emmons made a motion to take the quotes under advisement. Ken Sendelweck seconded the motion. Motion approved, 6-0.

**QUOTE OPENING: EQUIPMENT HAULER TRAILER – ELECTRIC DISTRIBUTION**  
(DVD-13:50)

(Rick Stradtner returned to the room at 7:15 PM.)

Bud Hauersperger stated that one quote was received by fax, therefore it was not a sealed quote and does not meet bid requirements. Hauersperger opened the quotes and read them aloud as follows:

1. Meyer Truck Equipment	\$ 4,240.00
Jasper, IN	

The quote included a signed non-collusion affidavit.

2. Hopf Equipment	\$ 4,923.00
Huntingburg, IN	

The quote included a signed non-collusion affidavit.

Ken Sendelweck made a motion to take the quotes from Meyer Truck Equipment and Hopf Equipment under advisement and to reject the bid from Saladin Trailer Sales because it did not meet bid requirements. Alex Emmons seconded the motion. Motion approved, 7-0.

Jerry Schitter stated that he did mail out five quotes for the trailer bid, but only three responded.

**QUOTE OPENING: TURBIDIMETERS – GAS & WATER** (DVD-16:48)

Bud Hauersperger stated that only one quote was sent out to a company due to the turbidimeters being a proprietary item and only certain ones will work with our system. Hauersperger opened the quote and read it aloud as follows:

1. Hach Company	5 - meters	\$12,865.00
Loveland, CO	5 - collectors	<u>\$ 6,895.00</u>
	Total Price	\$19,760.00

Doug Schulte made a motion to take the quotes under advisement. Mike Harder seconded the motion. Motion approved, 7-0.

#### **APPROVAL OF MINUTES** (DVD-19:40)

Chairman Wayne Schuetter presented the minutes of the December 19, 2011 Regular Meeting and there being no corrections or amendments, asked for a motion to accept the minutes. Rick Stradtner made a motion to approve the minutes of the December meeting as presented. Doug Schulte seconded the motion. Motion approved, 7-0.

#### **IMEA DUES FOR 2012** (DVD-20:46)

Jerry Schitter explained to the Board that he received an invoice from Indiana Municipal Electrical Association (IMEA) for 2012 membership dues. The price has remained the same as in 2011 which is \$8,400. IMEA does lobbying at the State House, safety programs, and lineman training, which is essential because several lineman will be retiring in the next few years.

Ken Sendelweck made a motion to approve the IMEA dues for 2012 in the amount of \$8,400. Greg Krodel seconded the motion. Motion approved, 7-0.

#### **IMEA SAFETY CLASSES DUES FOR 2012** (DVD-22:33)

Jerry Schitter explained to the Board that because we are members of IMEA we have the ability to join their safety classes. The 2012 yearly safety class fee is \$4,040.40, which is same amount as last year. There are six classes per year performed every other month at our location for the entire Electric Department. Safety updates are also received on a regular basis.

Alex Emmons made a motion to approve the IMEA safety class dues for 2012 in the amount of \$4,040.40. Mike Harder seconded the motion. Motion approved, 7-0.

#### **ELECTRIC PLANNING COMMITTEE REPORT** (DVD-24:17)

Ken Sendelweck, Chairman of the Electric Planning Committee, stated the committee met on January 11, 2012 to discuss the IMPA Capacity Payment Contract.

The Committee discussed the potential renewal of the IMPA Capacity Payment Contract. Last year's IMPA Capacity payment was \$32,401 and runs thru May 31, 2012. This year's contract, if renewed, is much lower, \$18,251 and runs from June 1, 2012 thru May 31, 2013. The new Capacity payment is much lower than last years and is based on the market demand. This payment has been instrumental in maintaining the cost of the workforce at the power plant, although the cost of operations is less now than in the past. The Committee recommends the Board renew its contract with IMPA even though there is decreased revenue.

Bill Kaiser presented Resolution USB 2012-1 approving the extension of the Capacity and Energy Purchase and Dispatch Agreement between the City of Jasper and IMPA for the period of June 1, 2012 to May 31, 2013.

Ken Sendelweck made a motion to approve Resolution USB 2012-1. Alex Emmons seconded the motion. Motion approved, 7-0.

Ken Sendelweck continued to discuss the possible purchase of property next to the Power Plant. The owners are ready to sell the 1.3 acres of property. The City has received two appraisals for the property. The maximum amount the Board may pay is an average of the two appraisals. There is a significant price difference between the two appraisals received, therefore the Committee asked Hauersperger to get a third appraisal to validate the other two. The Committee also discussed the City's interest in the property. Hauersperger will be checking with Jasper Clean Energy to see if they have any interest in the property.

The power plant lease has been signed. There will be monthly reports available from Jay Catasein starting in February.

The Committee also recommends Bud Hauersperger, General Manager, to take the position of authorized representative for Jasper Clean Energy for the next year or until terminated.

Bill Kaiser presented Resolution USB 2012-2 approving the appointment of the authorized representative, Bud Hauersperger, between The City of Jasper and Jasper Clean Energy.

Ken Sendelweck made a motion to approve Resolution USB 2012-2. Doug Schulte seconded the motion. Motion approved, 7-0.

#### **UPDATE ON BEAVER LAKE DAM PROJECT** (DVD-36:05)

Mike Oeding informed the Board that there was an update meeting held on Thursday January 12, 2012. The project is running a month behind due to the weather, therefore the contract will need to be extended a month. There were a lot of trucks delivering concrete today. On January 15<sup>th</sup> the County put a 10 ton weight limit on county roads. The loads of concrete today were small. Oeding will need to check with Force Construction to see if they made arrangements with the County regarding the weight limit.

#### **GAS PLANNING COMMITTEE REPORT** (DVD-38:28)

Greg Krodel, Chairman of the Gas Planning Committee, stated the committee did not meet during the past month.

#### **WATER PLANNING COMMITTEE REPORT** (DVD-38:33)

Doug Schulte, Chairman of the Water Planning Committee, stated the committee did not meet during the past month.

#### **NORTHSIDE SEWER PROJECT** (DVD-38:42)

Ed Hollinden informed the Board there will be a pre-construction meeting tomorrow regarding the Northside Sewer Project. The City Engineer, Chad Hurm, will be sending out a notice to proceed in March. So far thirty-five homes have been inspected, and only four homes have passed inspection.

## **WASTEWATER PLANNING COMMITTEE REPORT** (DVD-40:50)

Alex Emmons, Chairman of the Wastewater Planning Committee, stated the committee did not meet during the past month.

## **CONFLICT OF INTEREST DISCLOSURE STATEMENTS** (DVD-41:00)

Bud Hauersperger presented the annual Conflict of Interest Disclosure statements for Jerry Schitter and Mike Oeding. Schitter's statement needs to be signed by the Common Council, therefore no action is required.

Hauersperger stated that Mike Oeding is the President of the Board of the Gas Utilities Alliance, which sets insurance rates and provides excess liability insurance for our gas distribution system.

Doug Schulte made a motion to approve the Conflict of Interest Disclosure Statement for Mike Oeding as presented. Rick Stradtner seconded the motion. Motion approved, 7-0.

## **REFINANCING OF 2000 SRF WATER BONDS** (DVD-43:55)

Hauersperger informed the Board that he was notified regarding refinancing a SRF bond for the water plant. Refinancing this bond could potentially save \$100,000 a year over the next nine years. The cost of issuance is \$50,000 which includes several fees including legal fees, and accounting fees, which are typically the closing cost fees for refinancing. Hauersperger received a quote from Umbaugh for the accounting fees for \$22,500. This amount does not include bond counsel.

Bill Shaneyfelt asked to table this issue until next month to review all necessary paperwork.

Alex Emmons made a motion to table this discussion until next month. Rick Stradtner seconded the motion. Motion approved, 7-0.

Wayne Schuetter asked that the Board be notified if this matter becomes time sensitive. This is a definite savings for the Water utility, and a Special meeting will be called if necessary.

Shaneyfelt informed the Board that it would be a good idea to give Hauersperger permission to obtain bond counsel.

Ken Sendelweck made a motion to give Hauersperger permission to procure bond counsel for refinancing the SRF bonds. Mike Harder seconded the motion. Motion approved, 7-0.

## **PAYMENT REQUEST FROM FORCE CONSTRUCTION** (DVD-52:15)

Bud Hauersperger presented a payment request on behalf of Force Construction for \$161,036.95 for the Beaver Lake Dam Rehabilitation Project. This is the fourth payment towards the project and includes continued excavation costs. The Engineers have approved the payment. Once the Board approves payment it will be sent to EDA and they will reimburse the City.

Doug Schulte made a motion to approve the contract application Payment #4 to Force Construction in the amount of \$161,036.95. The motion was seconded by Rick Stradtner. Motion approved, 7-0.

**FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET** (DVD-55:55)

Mike Harder reported the Finance Committee had met and reviewed the claims on the Claim Docket.

The Finance Committee recommended approval of the claims as presented.

Doug Schulte made a motion to approve the claims as presented. Ken Sendelweck seconded the motion. Motion approved, 7-0.

**RESOLUTION SETTING BILLING CHARGES FOR 2012** (DVD-56:34)

Bill Shaneyfelt passed out Resolution USB 2012-3, Setting Billing Charges for 2012. These charges apply to the Wastewater Laboratory charges for the year. These charges are looked over at the beginning of each year to see if they need updated to cover expenses. The Board's approval is required to increase the charges.

Alex Emmons made a motion to approve Resolution USB 2012-3 as presented. Mike Harder seconded the motion. Motion approved, 7-0.

**OTHER BUSINESS** (DVD-58:11)

Mayor Seitz informed the Board of the Strategic Planning and Leadership Development Program that he is bringing to the City of Jasper. Since Utility department heads and staff will be utilizing the program the City will ask for the Board's permission that the Utilities pay for part of the program. A private partnership will be paying for Phase 1 of the program, which is approximately \$20,000, at no cost to the City. The program's total cost will be approximately \$70,000. Next month this issue will be brought back to the Board to discuss funding issues.

There being no further business to come before the Board, the meeting was adjourned at 8:00 PM upon motion by Alex Emmons and second by Rick Stradtner. Motion approved, 7-0.

The minutes were hereby approved \_\_\_\_\_ with   X   without corrections this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

Attest: \_\_\_\_\_  
Secretary Chairman